

HOUSE JOINT RESOLUTION 150

By Kelsey

A RESOLUTION urging the governor to refuse certain funds from the American Recovery and Reinvestment Act related to unemployment insurance benefits and related to the expansion of entitlements, the funding for which will end after 2010, so that future tax increases would not be required.

WHEREAS, while some of the \$4.3 billion Tennessee is slated to receive as its share of the American Recovery and Reinvestment Act can be put to good use, the significant budgetary costs associated with its unemployment insurance provisions and mandated expansion of entitlement programs are a ticking fiscal time bomb; and

WHEREAS, in these difficult economic times, the most effective way to help hard-working Tennesseans is through real job creation initiatives that will grow the economy without burdening our children and grandchildren with an onerous debt load; and

WHEREAS, the American Recovery and Reinvestment Act provides just \$1.10 per day in relief for workers while saddling every family with \$9,400 in added debt to pay for special-interest programs that will do little to create jobs, ultimately doing more harm than good to Tennessee families; and

WHEREAS, moreover, the recently enacted federal stimulus package impedes Tennessee's ability to manage its own programs, resulting in more federal control over state-administered programs; and

WHEREAS, it would be fiscally irresponsible to take money from the federal government with strings attached that require increased entitlements, when those entitlement expansions are permanent, but the money from the federal government will disappear after two years; and

WHEREAS, during his February 9, 2009, State of the State Address, Governor Bredesen committed Tennessee to fiscal responsibility regarding the stimulus money: "While

there are doubtless states which will use this money to simply push the problem back two years, Tennessee will not do this."; and

WHEREAS, at least six other state governors have pointed out that tens of billions of dollars in aid for unemployment insurance, health care, welfare, and education will disappear in two years, leaving states with no means of continuing the expanded benefits after the stimulus money is spent other than to increase taxes; and

WHEREAS, after meeting with President Barack Obama, Governor Phil Bredesen noted on February 23, 2009, that some provisions in the stimulus package for unemployment benefits would force states to expand their programs permanently without providing permanent funding: "We are evaluating this money, whether it makes sense for us to take it. We may well be one of the states that say we can't take on that portion of it."; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED SIXTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that we strongly urge the Governor to refuse to accept certain funds from the American Recovery and Reinvestment Act related to unemployment insurance benefits.

BE IT FURTHER RESOLVED, that we strongly urge the Governor to refuse to accept any funds from the American Recovery and Reinvestment Act that create a recurring financial obligation on the part of Tennessee without providing continued federal funding for such obligations.

BE IT FURTHER RESOLVED, that an enrolled copy of this resolution be transmitted to the Honorable Phil Bredesen, Governor of the State of Tennessee.